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AARP TO PROFIT FROM NEW MEDICARE DRUG LAW

WASHINGTON, DC – AARP has submitted a proposal with UnitedHealth Group to the Centers for Medicare and Medicaid Services (CMS) to offer a prescription drug plan under Medicare. AARP's support was crucial in creating the Medicare drug plans they now plan to exploit for profit. US Rep. Pete Stark (D-Fremont) gave the following statement:

"AARP's most recent actions confirm what we predicted when they first threw their weight behind the Medicare drug bill in 2003. They did so to improve their bottom line, not to help the 35 million seniors they claim to represent. It's one thing to act in self-interest as a profit-making insurer; it's another entirely to leverage a trusting membership of America's seniors to pass legislation you know will do little more than line your own pocket.

"In the end, the AARP leadership supported a bill that advanced a privatization agenda at the expense of beneficiaries and taxpayers. The new law sacrifices the traditional Medicare program and undermines coverage for millions of beneficiaries in exchange for grossly inadequate private prescription drug coverage. The bill prevents the government from negotiating lower drug prices and will leave millions of low-income seniors on Medicaid worse off relative to today's coverage.

"While AARP signed off on privatizing Medicare, they have so far been outspoken opponents of the Bush Social Security privatization plan. As the debate continues, I hope AARP has learned from their mistakes in Medicare and stays true to their mission to protect a guaranteed Social Security benefit."